

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of)	
)	
Schools and Libraries)	CC Docket No. 02-6
Universal Service Support Mechanism)	
)	
Request for Review and/or Waiver)	Application No. 819756
By El Monte Union High School District)	
Of a Funding Decision by the)	
Universal Service Administrative Company)	

PETITION FOR RECONSIDERATION

Pursuant to section 1.106 of the Commission’s rules,¹ the El Monte Union High School District (El Monte) respectfully requests reconsideration of a decision of the Wireline Competition Bureau (Bureau) to deny El Monte’s appeal of a Universal Service Administrative Company (USAC) decision regarding the above-captioned application for Schools and Libraries Universal Service funding. The Bureau’s denial of El Monte’s appeal warrants reconsideration and reversal because the instant petition identifies material errors and omissions in the Bureau’s denial of its appeal. The Bureau evidently denied El Monte’s appeal on the grounds that El Monte had “failed to demonstrate that [it was] unable to complete implementation on time for reasons beyond the service provider[’s] control and failed to make significant efforts to secure the necessary extensions in a timely manner.”² This rationale for its denial is completely inconsistent with the facts presented in El Monte’s appeal. El Monte demonstrated that the

¹ 47 C.F.R. § 1.106.

² *Streamlined Resolution of Requests Related to Actions by the Universal Service Administrative Company*, CC Docket No. 02-6, WC Docket Nos. 02-60, 13-184, Public Notice, DA 16-1448, at 12 n.36 (WCB, rel. Dec. 29, 2016) (*Public Notice*).

reasons for its implementation delay were beyond its service provider's control, and El Monte filed its extension request on time.

In addition, the Bureau appears to have failed to fully consider the arguments El Monte presented in its appeal. Specifically, the Bureau failed to explain why it was not convinced by the strong supporting precedent presented in El Monte's appeal. Finally, the Bureau's denial lacked sufficient explanation of the reasoning behind the decision, which raises Administrative Procedure Act concerns. El Monte therefore respectfully asks the Bureau to reverse its previous decision.

In the alternative, El Monte asks the Bureau to waive the Commission's rules to the extent necessary to grant the requested relief. The effect of the Bureau's denial is to punish a school district that did the best it could to comply with the E-rate rules while contending with the unexpected death of its technology director. Both the school district and its service provider acted in good faith at all times, and there was no waste, fraud, or abuse. The Bureau's denial will create additional work and expense both for El Monte and for USAC, whereas granting the requested relief would allow the school district to deploy needed technology more quickly and would improve program efficiency. Further, El Monte's service provider, Alquest, has provided more than \$200,000 worth of services during the time period when its prior installation extension was effective, and for which it submitted invoices in a timely fashion, but for which it never received reimbursements (nor received a denial for the invoices). A waiver in this case would therefore advance the E-rate program's goals and would be in the public interest.

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I. BACKGROUND

El Monte was awarded approximately \$1.5 million for internal connections for the above-captioned application.³ Shortly thereafter, El Monte's director of technology, Garrett McKay, died unexpectedly.⁴ Mr. McKay's untimely death threw El Monte's technology department into a state of uncertainty, and as a result El Monte was unable to put together the initial scope of what was needed to expand and repair internal connections within the school district's buildings and could not provide directions to the district's service provider, Alquest. Without direction from El Monte regarding the scope of work, there was little that Alquest could do until El Monte had hired a new technology director.⁵ El Monte therefore filed three successive service implementation extension requests. USAC granted these requests the first two years, then in March 2016 denied the third request, six months after it was filed on time.⁶ Shortly before filing the second extension request, in August 2014, El Monte had hired a new technology director and had made significant progress towards the installation of the internal connections for which funding had been committed. El Monte estimates it needs just a few months to finish the entire wiring project.

El Monte appealed USAC's denial, and on September 1, 2016, USAC denied El Monte's appeal because it allegedly failed to satisfy the requirements in the Commission's rules to receive

³ See Request for Review and/or Waiver by El Monte Union High School District, CC Docket No. 02-6, at 3 (filed Oct. 31, 2016) (Appeal).

⁴ See *id.* at 5.

⁵ See *id.* at 5-6.

⁶ See *id.*

the extension request.⁷ On October 31, 2016, El Monte filed a timely appeal of USAC's decision with the Commission.⁸

On December 29, 2016, the Bureau denied El Monte's appeal in a public notice.⁹ The Bureau categorized El Monte's appeal as an "Unjustified Service Implementation Delay."¹⁰ In a footnote, the Bureau cited its *Accelerated Charter Order* as support for the denial, describing the *Accelerated Charter Order* as "denying late-filed extensions of the deadline for service implementation when applicants failed to demonstrate they were unable to complete implementation on time for reasons beyond the service providers' control and failed to make significant efforts to secure the necessary extensions in a timely manner."¹¹ The *Public Notice* contained no additional discussion. In response to the Bureau's denial of its appeal, El Monte timely files this petition for reconsideration.¹²

II. RECONSIDERATION AND REVERSAL ARE WARRANTED BECAUSE THE BUREAU'S DENIAL CONTAINED MATERIAL ERRORS AND OMISSIONS AND FAILED TO FULLY CONSIDER ARGUMENTS MADE IN EL MONTE'S APPEAL

a. The Bureau's Denial Contained Material Errors and Omissions

The Bureau evidently denied El Monte's appeal on the grounds that El Monte had "failed to demonstrate that [it was] unable to complete implementation on time for reasons beyond the service provider['s] control and failed to make significant efforts to secure the necessary

⁷ See *id.* at 6-7 & Exh. 1.

⁸ *Id.*

⁹ *Public Notice* at 12.

¹⁰ *Id.*

¹¹ *Id.* at 12 n.36.

¹² See 47 C.F.R. § 1.106(f).

extensions in a timely manner.”¹³ But both of these grounds constitute material errors or omissions because they are entirely unsupported by the facts laid out in El Monte’s appeal.

First, El Monte demonstrated that the reasons for its implementation delay were beyond its service provider’s control. As the appeal explained, the service implementation delays were primarily due to the untimely death of El Monte’s technology director and the resulting staffing challenges that El Monte faced.¹⁴ In addition, El Monte experienced an extraordinary level of turnover in various leadership roles, which further limited its ability to hire a new technology director, and which also impeded El Monte’s ability to fund its service provider’s work.¹⁵ Because of these developments, El Monte was unable to convey the scope of work to its service provider in time for the provider to complete the work by the implementation deadline.

Contrary to the Bureau’s apparent conclusion, all of the circumstances described above were clearly outside of the service provider’s control. Without knowing the scope of work or being able to receive direction from El Monte, the service provider was unable to make any progress. USAC never suggested that El Monte’s service implementation delay was within the service provider’s control.¹⁶ El Monte’s extension request thus satisfied the requirements of section 54.507(d)(4)(iii), and its appeal should have been granted. Accordingly, to the extent that the Bureau based its decision on El Monte’s alleged “fail[ure] to demonstrate that [it was] unable to complete implementation on time for reasons beyond the service provider[’s] control,” the Bureau must reverse its decision because the facts in this appeal do not support it.

¹³*Public Notice* at 12 n.36.

¹⁴ Appeal at 5-6, 7.

¹⁵ *Id.* at 6.

¹⁶ *Id.* at 7 & Exh. 1.

Second, El Monte demonstrated that it had filed its extension request on time.¹⁷ In fact, USAC itself acknowledged that El Monte had filed its request on time.¹⁸ Accordingly, there is no basis for the Bureau to conclude that El Monte “failed to make significant efforts to secure the necessary extensions in a timely manner.” With no additional explanation provided of how the Bureau reached this conclusion, El Monte wonders whether the Bureau understood that El Monte’s extension request had been filed on time.¹⁹

The result of this error is all the more unjust because in the same Public Notice in which it denied El Monte’s appeal, the Bureau *granted* an appeal involving a service implementation deadline extension request that had been filed *late*.²⁰ It is impossible to understand how the Bureau could have found—in the same Public Notice—that one applicant “made significant efforts to secure the necessary extensions” when it filed its extension request late, and that another applicant “failed to make significant efforts to secure the necessary extensions in a timely manner” when it filed its extension request on time. Accordingly, to the extent that the Bureau based its decision on El Monte’s alleged “fail[ure] to make significant efforts to secure the necessary extensions in a timely manner,” the Bureau must reverse its decision because the facts in this appeal do not support it.

¹⁷ *Id.* at 6-7 & Exh. 1.

¹⁸ *Id.*

¹⁹ The fact that El Monte’s appeal was timely filed was clearly stated both in the appeal and in USAC’s underlying denial. *Id.*

²⁰ Public Notice at 7 & n.20 (granting an appeal by Greyhills Academy High School); Greyhills Academy High School Request for Waiver, CC Docket No. 02-6 (filed May 10, 2016) (appealing USAC’s denial of a late-filed service implementation extension request).

b. The Bureau's Denial Failed to Fully Consider Arguments Made in El Monte's Appeal

El Monte's appeal cited a prior Public Notice in which the Bureau had granted an appeal filed by Harlandale Independent School District.²¹ Harlandale had filed a service implementation extension request late, with no other explanation of its failure to meet the implementation deadline than that it had had significant staff turnover.²² In that respect, Harlandale's circumstances were factually similar to El Monte's. Harlandale explained that the delay was beyond its service provider's control and thus eligible for an extension under Commission rules; Harlandale made no effort to argue that the delay was beyond its *own* control.

El Monte argued that in light of the Bureau's grant of Harlandale's appeal, the Bureau must also grant El Monte's appeal because, if anything, El Monte's circumstances were more sympathetic than Harlandale's, given that they included the untimely death of El Monte's technology director.²³ At the very least, the Bureau should have explained why Harlandale's appeal merited a grant, but El Monte's appeal, with its nearly identical circumstances, did not. But the Bureau's denial gives no indication that the Bureau took the Harlandale precedent into

²¹ See Appeal at 10; *Streamlined Resolution of Requests Related to Actions by the Universal Service Administrative Company*, CC Docket No. 02-6, WC Docket Nos. 02-60, 06-122, Public Notice, DA 15-505, at 5 & n.13 (WCB 2015) (granting the Harlandale Independent School District's appeal of a late-filed service implementation extension denial).

²² See Harlandale Independent School District, Application No. 679511, Request for Review, CC Docket No. 02-6 (filed Oct. 17, 2014) (describing the school district management problems that caused the missed deadline, and making it clear that the circumstances of the delay were outside the service provider's control, but within the applicant's control).

²³ See Appeal at 10 ("El Monte simply urges the Bureau to consider the extraordinary challenge it faced – the unexpected death of its technology director, which would be difficult for any school district to overcome – as well as that fact that El Monte acted in good faith at all times and submitted its extension request on time. In these respects, El Monte's appeal is at least as deserving of a grant as Harlandale's was.").

account.²⁴ Because it failed to fully consider this argument, the Bureau must reconsider its decision to deny El Monte's appeal.

c. The Bureau's Failure to Adequately Explain Its Reasoning Raises APA Concerns

El Monte generally applauds the Bureau's use of public notices to streamline and facilitate the disposition of E-rate appeals. However, in this case, the Bureau's terseness in announcing its denial of El Monte's appeal fails to satisfy even the minimal requirements of the Administrative Procedure Act. For that reason, the Bureau must grant this petition and reconsider its denial.

Section 6(e) of the APA requires an agency to provide a "brief statement of the grounds for denial" when it denies a petition, unless the denial is self-explanatory.²⁵ The D.C. Circuit has explained: "A 'fundamental' requirement of administrative law is that an agency 'set forth its reasons' for decision; an agency's failure to do so constitutes arbitrary and capricious agency action."²⁶ The D.C. Circuit has also stated that "[a]lthough nothing more than a 'brief statement' is necessary, the core requirement is that the agency explain 'why it chose to do what it did.'"²⁷ Under this framework, the D.C. Circuit has reversed agency decisions in which the agency "provide[d] no basis upon which [the court] could conclude that it was the product of reasoned decisionmaking."²⁸

²⁴ El Monte acknowledged that the Bureau has also denied appeals that cited nothing more than staffing problems as the reason for missing service implementation extension deadlines. *See id.* at 9. The fact that the Bureau's precedent is inscrutable is all the more reason why the Bureau should have explained its reasoning here, and why it is impossible to assume that the Bureau's silence regarding the Harlandale precedent indicates that the Bureau fully considered and rejected it.

²⁵ 47 U.S.C. § 555(e).

²⁶ *Roelofs v. Secretary of the Air Force*, 628 F.2d 594, 599 (D.C. Cir.1980).

²⁷ *Id.*

²⁸ *See, e.g., Amerijet Int'l, Inc. v. Pistole*, 753 F.3d 1343, 1350-52 (D.C. Cir. 2014).

As we have explained, the Bureau’s minimal commentary on why it denied El Monte’s petition was inconsistent with the facts in El Monte’s appeal and did not address supporting precedent. The Bureau’s denial of El Monte’s appeal also cannot be reconciled with the grant of another appeal in the same Public Notice. The denial of El Monte’s appeal therefore raises APA concerns, in that it cannot be ascertained from the Bureau’s Public Notice that the decision was the “product of reasoned decisionmaking.” In order to eradicate these APA concerns, the Bureau must grant the instant petition and reconsider its denial.

III. IN THE ALTERNATIVE, A WAIVER OF THE COMMISSION’S RULE IS IN THE PUBLIC INTEREST

As we have explained, the Bureau should reverse its denial of El Monte’s appeal because its decision is unsupported by the facts, fails to fully consider all of the arguments El Monte made, and, in its failure to demonstrate reasoned decision-making, raises APA concerns. In the alternative, however, El Monte respectfully renews its request that the Bureau waive section 54.507(d) to the extent that the Bureau finds it necessary to grant the requested relief.²⁹ A waiver in this case would advance the E-rate program’s goals and would be in the public interest.

Any of the Commission’s rules may be waived if good cause is shown.³⁰ The Commission may exercise its discretion to waive a rule where the particular facts make strict compliance inconsistent with the public interest.³¹ In addition, the Commission may take into account considerations of hardship, equity, or more effective implementation of overall policy on

²⁹ El Monte also requests that the Bureau waive other rules, as necessary, to effectuate this relief, such as, for example, the invoice deadline.

³⁰ 47 C.F.R. § 1.3.

³¹ *Northeast Cellular Telephone Co. v. FCC*, 897 F.2d 1164, 1166 (D.C. Cir. 1990) (Northeast Cellular).

an individual basis.³² The Bureau has waived section 54.507(d) where it has found that the applicants “attempted in good faith to comply in a timely manner in seeking an extension of the deadline.”³³

El Monte respectfully argues that a waiver of section 54.507(d) would be in the public interest. USAC’s denial came at a time when El Monte had secured the staffing and the funding that would allow its service provider to complete the authorized work. El Monte and Alquest still wish to complete the installation under the terms of their original contract, have already made great progress toward completion of the work, and are poised to complete it within the next year.³⁴

As noted in the original appeal,³⁵ Alquest has performed more than \$200,000 worth of services under this application but has not yet been paid. In 2015, Alquest installed fiber and Category 6 cable, as well as all of El Monte's wireless access points serving more than 700 classrooms.³⁶ The invoices and service certifications for these services were filed by the January 22, 2016 invoicing deadline.³⁷

³² *WAIT Radio v. FCC*, 418 F.2d 1153, 1159 (D.C. Cir. 1969); *Northeast Cellular*, 897 F.2d at 1166.

³³ *Requests for Review of the Decision of the Universal Service Administrator by Lancaster School District*, CC Docket No. 02-6, Order, DA 11-741, ¶ 3 (WCB, TAPD 2011).

³⁴ *See* Appeal at 11-12.

³⁵ *See* Appeal at 12.

³⁶ *See Exhibit 1*, service certifications signed by El Monte and bills provided to El Monte by Alquest.

³⁷ *Id.*; *see also Exhibit 2*, emails between Margaret Green, USAC, and Erick Steelman dated January 6, and January 21, 2016) re: required documentation and deadline for documentation of January 22, 2016 (documentation attached to email in Exhibit 1).

When El Monte's consultant checked with USAC, he was told that the customer bills had not been submitted,³⁸ but El Monte's email to USAC demonstrates that they had been.³⁹ As such, USAC should have paid the invoices, but apparently did not do so because the service implementation deadline request had not been granted. El Monte believes that denying E-rate funding under these circumstances is unjust, as Alquest has already provided significant services under the application and within program deadline but without being paid, and that waiving the rule to the extent necessary would be consistent with the public interest.

A waiver of section 54.507(d) would also constitute a more effective implementation of overall policy. Allowing El Monte and Alquest to complete the work pursuant to their original agreement would be the most efficient and cost-effective use of the school district's resources.⁴⁰ By contrast, the result of the Bureau's denial is to require El Monte to rebid the project, which would require additional time and expense and would thus divert resources away from the schools' other needs.⁴¹

In short, the Bureau's denial undermines E-rate program goals rather than advancing them. The effect of the Bureau's denial is to punish a school district that did the best it could to comply with the E-rate rules while contending with the unexpected death of its technology director. Both the school district and its service provider acted in good faith at all times, and there was no waste, fraud, or abuse. Furthermore, the Bureau's denial will create additional work and expense not just for El Monte, but also for USAC. If El Monte has to rebid for the

³⁸ See Exhibit 3, email from Mick Kraft, USAC, to Russ Reshaw, eDimensions Consulting (dated Feb. 17, 2016).

³⁹ See Exhibit 2.

⁴⁰ See *id.* at 12.

⁴¹ See *id.*

services, USAC will have to review an application that need not ever have been filed. El Monte urges the Bureau to recognize that in the real world, projects sometimes take longer than planned, even when a school district makes every effort to meet implementation deadlines.⁴² Granting the instant petition not only would cause no harm to the Fund; it would actually further the goals of the E-rate program. As such, it is in the public interest for the Bureau to grant the requested relief.

IV. CONCLUSION

For the foregoing reasons, El Monte respectfully requests that the Bureau grant this petition for reconsideration and reverse its denial of El Monte's appeal with respect to the above-captioned application. In the alternative, El Monte requests that the Bureau waive the Commission's rules to the extent necessary to grant the requested relief.

Respectfully submitted,

/s/ Gina Spade

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January 27, 2017

⁴² We note that a year of delay was caused by USAC's issuance of the funding commitment decision letter a year after the application was filed, and another 15 months of delay was caused by the implementation extension denial and subsequent appeals. *See Appeal* at 3, 5-7.

CERTIFICATE OF SERVICE

This is to certify that on this 27th day of January, 2017, a true and correct copy of the foregoing Petition for Reconsideration was sent via email to:

SLD, Universal Service Administrative Company, Appeals@sl.universalservice.org

/s/ Theresa Schrader

Exhibit 1

**Service Certifications Signed by El Monte as well as
Bills Provided to El Monte by Alquest**


Service Certification for SLD Invoices

SLD Invoice Number	2315662
Invoice Line Number	7758206
Service Provider Name	Alquest Technologies, Inc.
Service Provider SPIN	143005430
Service Provider Invoice #	ELMUSD Wireless A15036
Undiscounted Invoice Amount	\$140,846.17
Discounted Invoice Amount	\$126,761.55

Applicant Name	EL MONTE UNION HIGH SCH DIST
Representative / Contact Name	Erick Steelman
Representative / Contact Title	Director of Information Services
Representative / Contact Phone	626-444-9005 x9905
Billed Entity Number (BEN)	143586
471 Number	819756
FRN	2232618
Date Goods/Services Delivered	
Date Goods/Services were or will be Installed	4/29/2015
Date Applicant Portion Paid and Check No. or Date will be Paid	08/27/2015 Check # 22356223

This is to certify that I am authorized to represent the above named Applicant. This is also to certify the services described on the attached vendor invoice were delivered and/or installed as indicated by the date(s) above.

Or The charges represented by the above represented invoice are deposits or up-front charges for services, which have not been delivered, and have been agreed to based on the contract between the above referenced Applicant and Service Provider

Copy of <u>detailed</u> vendor invoice must be attached. Contract with Service Provider above is for Delivery only Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Delivery and Installation Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Copy of <u>supporting contract</u> must be attached if indicated below Supporting Contract Required YES <input type="checkbox"/> NO <input type="checkbox"/>
Signed: 	Signed:
Date: 11/15/2016	Date:

Site	Erate Eligible	Eligible Tax @ 9.5	Total Erate Eligible	Ineligible	Total Ineligible	P&P Bond	EMUHSD 10%	EMUHSD TOTAL
EMHS								
Proposal: 066-ELMUSD-15	\$ 35,541.92	\$ 1,842.75	\$ 37,384.67	\$ -	\$ -	\$ 1,118.63	\$ 3,738.47	\$ 4,857.10
MVHS								
Proposal: 064-ELMUSD-15	\$ 73,020.48	\$ 3,795.40	\$ 76,815.88	\$ -	\$ -	\$ 2,298.48	\$ 7,681.59	\$ 9,980.07
FLHS								
Proposal: 063-ELMUSD-15	\$ 25,329.20	\$ 1,316.42	\$ 26,645.62	\$ -	\$ -	\$ 797.29	\$ 2,664.56	\$ 3,461.85
	<u>\$133,891.60</u>	<u>\$ 6,954.57</u>	<u>\$ 140,846.17</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,214.40</u>	<u>\$ 14,084.62</u>	<u>\$ 18,299.02</u>
Total amount for the Payment & Performance Bond \$ 145,060.57								
						Total from vendor @ 9% sales tax	\$	144,694.54
						difference due in sales tax	\$	366.03
Proposal Recap								
Site	EMHS	MVHS	FLHS	Total				
Material	\$ 19,397.40	\$ 39,951.60	\$ 13,857.00	\$ 73,206.00				
Labor	\$ 16,144.52	\$ 33,068.88	\$ 11,472.20	\$ 60,685.60				
Tax @ 9.0%	\$ 1,745.77	\$ 3,595.64	\$ 1,247.13	\$ 6,588.54				
Total	\$ 37,287.69	\$ 76,616.12	\$ 26,576.33	\$ 140,480.14				
Bond	\$ 1,118.63	\$ 2,298.48	\$ 797.29	\$ 4,214.40				
Grand Total	\$ 38,406.32	\$ 78,914.60	\$ 27,373.62	\$ 144,694.54				
Tax @ 9.5%	\$ 1,842.75	\$ 3,795.40	\$ 1,316.42	\$ 6,954.57				
Material & Labor				\$ 133,891.60				
Bond				\$ 4,214.40				
Total				<u>\$145,060.57</u>				
Diff. in sales tax				\$ 366.03				

Fernando Ledesma High revised



BID Number: 0

QUAN	DESCRIPTION	MAT.	EXT.	LABOR	EXT.	Eligible mat.	Eligible labor	Non-eligible mat.	Non-eligible labor
50000	Cat 6 PVC (Molex CAA-095R-02)	0.17	8500.00	0.16	8000.00	\$8,500.00	\$8,000.00	\$0.00	\$0.00
9	48 port patch panel (Molex PID-00142)	261.00	2349.00	232.20	2089.80	\$2,349.00	\$2,089.80	\$0.00	\$0.00
160	Cat 6 jacks (Molex KSJ-00033-02)	4.80	768.00	4.32	691.20	\$768.00	\$691.20	\$0.00	\$0.00
160	5' patch cords (Molex PCD-00202-0H)	5.00	800.00	1.08	172.80	\$800.00	\$172.80	\$0.00	\$0.00
160	15' patch cords (Molex PCD-00202-0H)	7.25	1160.00	1.08	172.80	\$1,160.00	\$172.80	\$0.00	\$0.00
160	4 port faceplate (Molex WPJ-00010-02)	1.75	280.00	2.16	345.60	\$280.00	\$345.60	\$0.00	\$0.00
						\$13,857.00	\$11,472.20	\$0.00	\$0.00
						\$25,329.20	Total eligible		
						\$0.00	Total non-eligible		
SUB			\$13,857.00		\$11,472.20				
TOTAL			\$25,329.20						

Customer copy

Mountain View High revised



BID Number

0

QUAN	DESCRIPTION	MAT.	EXT.	LABOR	EXT.	Eligible mat	Eligible labor	Non-eligible mat.	Non-eligible labor
144000	Cat 6 PVC (Molex CAA-095R-02)	0.17	24480.00	0.16	23040.00	\$24,480.00	\$23,040.00	\$0.00	\$0.00
26	48 port patch panel (Molex PID-00142)	261.00	6786.00	232.20	6037.20	\$6,786.00	\$6,037.20	\$0.00	\$0.00
462	Cat 6 Jacks (Molex KSJ-00033-02)	4.80	2217.60	4.32	1995.84	\$2,217.60	\$1,995.84	\$0.00	\$0.00
462	5' patch cords (Molex PCD-00202-0H)	5.00	2310.00	1.08	498.96	\$2,310.00	\$498.96	\$0.00	\$0.00
462	15' patch cords (Molex PCD-00202-0H)	7.25	3349.50	1.08	498.96	\$3,349.50	\$498.96	\$0.00	\$0.00
462	4 port faceplate (Molex WPJ-00010-02)	1.75	808.50	2.16	997.92	\$808.50	\$997.92	\$0.00	\$0.00
						\$39,951.60	\$33,068.88	\$0.00	\$0.00
						\$73,020.48	Total eligible		
						\$0.00	Total non-eligible		
SUB			\$39,951.60		\$33,068.88				
TOTAL			\$73,020.48						

Customer copy

El Monte High School revised



BID Number

0

QUAN	DESCRIPTION	MAT.	EXT.	LABOR	EXT.	Eligible mat.	Eligible labor	Non-eligible mat.	Non-eligible labor
65000	Cat 6 PVC (Molex CAA-095R-02)	0.17	11050.00	0.16	10400.00	\$11,050.00	\$10,400.00	\$0.00	\$0.00
17	48 port patch panel (Molex PID-00142)	261.00	4437.00	232.20	3947.40	\$4,437.00	\$3,947.40	\$0.00	\$0.00
208	Cat 6 jacks (Molex KSJ-00033-02)	4.80	998.40	4.32	898.56	\$998.40	\$898.56	\$0.00	\$0.00
208	5' patch cords (Molex PCD-00202-0H)	5.00	1040.00	1.08	224.64	\$1,040.00	\$224.64	\$0.00	\$0.00
208	15' patch cords (Molex PCD-00202-0H)	7.25	1508.00	1.08	224.64	\$1,508.00	\$224.64	\$0.00	\$0.00
208	4 port faceplate (Molex WPJ-00010-02)	1.75	364.00	2.16	449.28	\$364.00	\$449.28	\$0.00	\$0.00
						\$19,397.40	\$16,144.52	\$0.00	\$0.00
						\$35,541.92	Total eligible		
						\$0.00	Total non-eligible		
SUB			\$19,397.40		\$16,144.52				
TOTAL			\$35,541.92						

Customer copy


Service Certification for SLD Invoices

SLD Invoice Number	2315645
Invoice Line Number	7758184
Service Provider Name	Alquest Technologies, Inc.
Service Provider SPIN	143005430
Service Provider Invoice #	Arroyo Wireless A15089
Undiscounted Invoice Amount	\$46,840.72
Discounted Invoice Amount	\$42,156.65

Applicant Name	EL MONTE UNION HIGH SCH DIST
Representative / Contact Name	Erick Steelman
Representative / Contact Title	Director of Information Services
Representative / Contact Phone	626-444-9005 x9905
Billed Entity Number (BEN)	143586
471 Number	819756
FRN	2232618
Date Goods/Services Delivered	
Date Goods/Services were or will be Installed	8/1/2015
Date Applicant Portion Paid and Check No. or Date will be Paid	Paid 12/14/2015 Check # 22618893

This is to certify that I am authorized to represent the above named Applicant. This is also to certify the services described on the attached vendor invoice were delivered and/or installed as indicated by the date(s) above.

Or The charges represented by the above represented invoice are deposits or up-front charges for services, which have not been delivered, and have been agreed to based on the contract between the above referenced Applicant and Service Provider

Copy of <u>detailed</u> vendor invoice must be attached. Contract with Service Provider above is for Delivery only Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Delivery and Installation Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Copy of <u>supporting contract</u> must be attached if indicated below Supporting Contract Required YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>
Signed: 	Signed:
Date: 1/15/2016	Date:

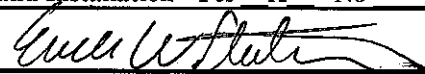
Service Certification for SLD Invoices

SLD Invoice Number	2315640
Invoice Line Number	7758179
Service Provider Name	Alquest Technologies, Inc.
Service Provider SPIN	143005430
Service Provider Invoice #	So El Monte Wireless A15091
Undiscounted Invoice Amount	\$34,665.28
Discounted Invoice Amount	\$31,198.75

Applicant Name	EL MONTE UNION HIGH SCH DIST
Representative / Contact Name	Erick Steelman
Representative / Contact Title	Director of Information Services
Representative / Contact Phone	626-444-9005 x9905
Billed Entity Number (BEN)	143586
471 Number	819756
FRN	2232618
Date Goods/Services Delivered	
Date Goods/Services were or will be Installed	8/1/2015
Date Applicant Portion Paid and Check No. or Date will be Paid	Paid 12/14/2015 Check # 22618893

This is to certify that I am authorized to represent the above named Applicant. This is also to certify the services described on the attached vendor invoice were delivered and/or installed as indicated by the date(s) above.

Or The charges represented by the above represented invoice are deposits or up-front charges for services, which have not been delivered, and have been agreed to based on the contract between the above referenced Applicant and Service Provider

Copy of <u>detailed</u> vendor invoice must be attached. Contract with Service Provider above is for Delivery only Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Delivery and Installation Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Copy of <u>supporting contract</u> must be attached if indicated below Supporting Contract Required YES <input type="checkbox"/> NO <input type="checkbox"/>
Signed: 	Signed: _____
Date: 1/15/2016	Date: _____

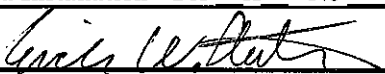
Service Certification for SLD Invoices

SLD Invoice Number	2315633
Invoice Line Number	7758167
Service Provider Name	Alquest Technologies, Inc.
Service Provider SPIN	143005430
Service Provider Invoice #	Rosemead Wireless A15090
Undiscounted Invoice Amount	\$33,343.12
Discounted Invoice Amount	\$30,008.81

Applicant Name	EL MONTE UNION HIGH SCH DIST
Representative / Contact Name	Erick Steelman
Representative / Contact Title	Director of Information Services
Representative / Contact Phone	626-444-9005 x9905
Billed Entity Number (BEN)	143586
471 Number	819756
FRN	2232618
Date Goods/Services Delivered	
Date Goods/Services were or will be Installed	8/1/2015
Date Applicant Portion Paid and Check No. or Date will be Paid	Paid 12/14/2015 Check # 22618893

This is to certify that I am authorized to represent the above named Applicant. This is also to certify the services described on the attached vendor invoice were delivered and/or installed as indicated by the date(s) above.

Or The charges represented by the above represented invoice are deposits or up-front charges for services, which have not been delivered, and have been agreed to based on the contract between the above referenced Applicant and Service Provider

Copy of <u>detailed</u> vendor invoice must be attached. Contract with Service Provider above is for Delivery only Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Delivery and Installation Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Copy of <u>supporting contract</u> must be attached if indicated below Supporting Contract Required YES <input type="checkbox"/> NO <input checked="" type="checkbox"/>
Signed: 	Signed:
Date: 1/15/2016	Date:

Site	Erate Eligible	Eligible Tax @ 9.5	Total Erate Eligible	Ineligble	Total ineligible	P&P Bond	EMUHSD 10%	EMUHSD TOTAL
AHS								
Proposal: 237-ELMUSD-15	\$ 46,840.72	\$ 2,411.33	\$ 49,252.05	\$ -	\$ -	\$ 1,473.75	\$ 4,925.21	\$ 6,398.96
RHS								
Proposal: 239-ELMUSD-15	\$ 33,343.12	\$ 1,726.28	\$ 35,069.40	\$ -	\$ -	\$ 1,049.36	\$ 3,506.94	\$ 4,556.30
SEMHS								
Proposal: 238-ELMUSD-15	\$ 34,665.28	\$ 1,800.31	\$ 36,465.59	\$ -	\$ -	\$ 1,091.13	\$ 3,646.56	\$ 4,737.69
DISTRICT-WIDE								
Proposal: 240-ELMUSD-15	\$ 35,090.00	\$ 137.75	\$ 35,227.75	\$ -	\$ -	\$ 1,056.62	\$ 3,522.78	\$ 4,579.40
	<u>\$149,939.12</u>	<u>\$ 6,075.67</u>	<u>\$ 156,014.79</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,670.86</u>	<u>\$ 15,601.49</u>	<u>\$ 20,272.35</u>

Total amount for the Payment & Performance Bond \$ 160,685.65

Total from vendor @ 9% sales tax \$ 160,365.88

difference due in sales tax \$ 319.77

Proposal Recap

Site	AHS	RHS	SEMHS	DISTRICT	Total
Material	\$ 25,382.40	\$ 18,171.40	\$ 18,950.60	\$ 1,450.00	\$ 63,954.40
Labor	\$ 21,458.32	\$ 15,171.72	\$ 15,714.68	\$ 33,640.00	\$ 85,984.72
Tax @ 9.0%	\$ 2,284.42	\$ 1,635.43	\$ 1,705.55	\$ 130.50	\$ 5,755.90
Total	\$ 49,125.14	\$ 34,978.55	\$ 36,370.83	\$ 35,220.50	\$ 155,695.02
Bond	\$ 1,473.75	\$ 1,049.36	\$ 1,091.13	\$ 1,056.62	\$ 4,670.86
Grand Total	<u>\$ 50,598.89</u>	<u>\$ 36,027.91</u>	<u>\$ 37,461.96</u>	<u>\$ 36,277.12</u>	<u>\$ 160,365.88</u>

Tax @ 9.5%	\$ 2,411.33	\$ 1,726.28	\$ 1,800.31	\$ 137.75	\$ 6,075.67
Material & Labor					\$ 149,939.12
Bond					\$ 4,670.86
Total					<u>\$ 160,685.65</u>
Diff. in sales tax					\$ 319.77

Arroyo High School Wireless									
QUAN	DESCRIPTION	MAT.	EXT.	LABOR	EXT.	Eligible mat.	Eligible labor	Non-eligible mat.	Non-eligible labor
73000	Cat 6 PVC (Molex CAA-095R-02)	0.17	12410.00	0.16	11680.00	\$12,410.00	\$11,680.00	\$0.00	\$0.00
34	48 port patch panel (Molex PID-00142)	261.00	8874.00	232.20	7894.80	\$8,874.00	\$7,894.80	\$0.00	\$0.00
218	Cat 6 jacks (Molex KSJ-00033-02)	4.80	1046.40	4.32	941.76	\$1,046.40	\$941.76	\$0.00	\$0.00
218	5' patch cords (Molex PCD-00202-0H)	5.00	1090.00	1.08	235.44	\$1,090.00	\$235.44	\$0.00	\$0.00
218	15' patch cords (Molex PCD-00202-0H)	7.25	1580.50	1.08	235.44	\$1,580.50	\$235.44	\$0.00	\$0.00
218	4 port faceplate (Molex WPJ-00010-02)	1.75	381.50	2.16	470.88	\$381.50	\$470.88	\$0.00	\$0.00
						\$25,382.40	\$21,458.32	\$0.00	\$0.00
						\$46,840.72	Total eligible		
						\$0.00	Total non-eligible		
SUB			\$25,382.40		\$21,458.32				
TOTAL			\$46,840.72						

Customer copy

Rosemead High School									
QUAN	DESCRIPTION	MAT.	EXT.	LABOR	EXT.	Eligible mat.	Eligible labor	Non-eligible mat.	Non-eligible labor
60000	Cat 6 PVC (Molex CAA-095R-02)	0.17	10200.00	0.16	9600.00	\$10,200.00	\$9,600.00	\$0.00	\$0.00
17	48 port patch panel (Molex PID-00142)	261.00	4437.00	232.20	3947.40	\$4,437.00	\$3,947.40	\$0.00	\$0.00
188	Cat 6 jacks (Molex KSJ-00033-02)	4.80	902.40	4.32	812.16	\$902.40	\$812.16	\$0.00	\$0.00
188	5' patch cords (Molex PCD-00202-0H)	5.00	940.00	1.08	203.04	\$940.00	\$203.04	\$0.00	\$0.00
188	15' patch cords (Molex PCD-00202-0H)	7.25	1363.00	1.08	203.04	\$1,363.00	\$203.04	\$0.00	\$0.00
188	4 port faceplate (Molex WPJ-00010-02)	1.75	329.00	2.16	406.08	\$329.00	\$406.08	\$0.00	\$0.00
						\$18,171.40	\$15,171.72	\$0.00	\$0.00
						\$33,343.12	Total eligible		
						\$0.00	Total non-eligible		
SUB			\$18,171.40		\$15,171.72				
TOTAL			\$33,343.12						

Customer copy

South El Monte High School																			
								BID Number		0									
QUAN	DESCRIPTION	MAT.	EXT.	LABOR	EXT.	Eligible mat.	Eligible labor	Non-eligible mat.	Non-eligible labor										
65000	Cat 6 PVC (Molex CAA-095R-02)	0.17	11050.00	0.16	10400.00	\$11,050.00	\$10,400.00	\$0.00	\$0.00										
15	48 port patch panel (Molex PID-00142)	261.00	3915.00	232.20	3483.00	\$3,915.00	\$3,483.00	\$0.00	\$0.00										
212	Cat 6 jacks (Molex KSJ-00033-02)	4.80	1017.60	4.32	915.84	\$1,017.60	\$915.84	\$0.00	\$0.00										
212	5' patch cords (Molex PCD-00202-0H)	5.00	1060.00	1.08	228.96	\$1,060.00	\$228.96	\$0.00	\$0.00										
212	15' patch cords (Molex PCD-00202-0H)	7.25	1537.00	1.08	228.96	\$1,537.00	\$228.96	\$0.00	\$0.00										
212	4 port faceplate (Molex WPJ-00010-02)	1.75	371.00	2.16	457.92	\$371.00	\$457.92	\$0.00	\$0.00										
						\$18,950.60	\$15,714.68	\$0.00	\$0.00										
						\$34,665.28	Total eligible												
						\$0.00	Total non-eligible												
SUB			\$18,950.60		\$15,714.68														
TOTAL			\$34,665.28																

Customer copy

Exhibit 2

**Emails between Margaret Green, USAC, and Erick Steelman,
dated January 6, and January 21, 2016**

From: **Erick Steelman** <erick.steelman@emuhsd.org>
Date: Thu, Jan 21, 2016 at 5:09 PM
Subject: RE: [eRate] ERATE: See Email, SLD Invoice: See Email
To: "Green, Margaret" <Margaret.Green@sl.universalservice.org>
Cc: "Henry.Wojcik" <Henry.W@alquest.us.com>, Russ Reshaw
<russ@edimensionconsulting.com>, erate@emuhsd.org, Sandy Navarro
<sandy.navarro@emuhsd.org>

Margaret,

Please let me know if you require anything further in regards to these reimbursements to the Service Provider Alquest Technologies, Inc.

This was in regards to wireless access point installations for our school district. I have two PDF's; one contains all of the info for Phase 1 (3 schools combined)...Invoice 2315662 and the other is for our phase 2 (3 separate)...invoices 2315633, 2315640, and 2315645. You should have received correspondence from our Superintendent in regards to my signing off on his project, since I watched her send you the email. Should you have ANY questions whatsoever, feel free to call or email ASAP. Thank you for your efforts and have a great day.

Regards,

Erick

Erick Steelman, CCTO
Director of Information Services

El Monte Union High School District

3537 Johnson Ave. El Monte, CA 91731
 [626-444-9005 x9905](tel:626-444-9005)

Erick.Steelman@emuhsd.org

From: Green, Margaret [mailto:Margaret.Green@sl.universalservice.org]
Sent: Wednesday, January 06, 2016 11:45 AM
To: 'erate@emuhsd.k12.ca.us' <erate@emuhsd.k12.ca.us>
Cc: 'Cathi Eredia@1-626-448-2508' <IMCEAFAX-Cathi+20Eredia+401-626-448-2508@solixinc.com>
Subject: [eRate] ERATE: See Email, SLD Invoice: See Email

SLD Invoice No	SP_App Invoice No	Line ID	Customer Billed Date	471	FRN	SPIN
2315633	Rosemead Wireless A15090	7758167	01-Sep-15	819756	2232618	143005430
2315640	So El Monte Wireless A15091	7758179	01-Sep-15	819756	2232618	143005430
2315645	Arroyo Wireless A15089	7758184	01-Sep-15	819756	2232618	143005430
2315662	ELMUSD Wireless A15036	7758206	01-Sep-15	819756	2232618	143005430

I am reviewing your request for reimbursement of the aforementioned FRN. Please send me a copy of the detailed invoices you received from the Service Provider for the products/services provided.

Please provide the page(s) that indicate the following:

- I. Bill Date / Ship Date
- II. Service Provider Name
- III. Total Current Charge
- IV. Bill-To Entity (Name & Address)
- V. Detailed Description of Products/Services Delivered

For FRN with BMIC, also provide

- I. Hours of work performed to deliver the services.

If the invoice is for deposits or up-front charges for services, please include a copy of the full contract that supports those charges.

In addition to a copy of the detailed invoice, please provide the attached Service Certification forms, to be completed and certified by the applicant i.e. by an authorized representative for the school /library, for the products/services provided. This representative's information should be provided in the following 3 lines:

- I. Representative / Contact Name
- II. Representative / Contact Title
- III. Representative / Contact Phone

The names of the signatory and Representative/Contact should match. If the signatory is any other than the Representative/Contact identified on the form, please provide the full Name, Title and Phone Number along with the documents.

If products are being delivered, please specify the delivery date and the actual/planned installation date.

If services are being delivered, please specify the actual dates that the invoiced services were delivered.

These dates should be provided in the following 3 lines:

- I. Date Goods/Services Delivered
- II. Date Goods/Services were or will be Installed
- III. Date Applicant Portion Paid and Check No. or Date to be Paid

The applicant must also **sign and date** the form, and indicate **Yes or No**, as appropriate, for Delivery and/or Installation. If the applicant intends to certify that the invoice is for deposits or up-front charges for services, please include a copy of the full contract that supports those charges. (Please note: Due to audit requirements, the re-submittal of old Service Certification forms is not acceptable and will result in rejection of the associated invoice line(s)).

The applicant may fax/e-mail the above information to me directly, which may speed up the review process. Please include the SLD Invoice Number on the fax/e-mail cover sheet so I can match your fax/e-mail to your form. For fax submissions, the cover sheet must identify the organization and the name/title/signature of the sender in addition to the SLD Invoice Number.

Please provide this information to me as soon as possible within the next 7 calendar days (by **End of Day** Wednesday, 1/22/16). Failure to do so may result in a reduction or rejection of the invoice, without further request. In this event, please ensure you have all necessary documents collected before resubmitting your request. If you have any questions, please contact me within this 7 day period.

Thank you for your cooperation and continued support of the Universal Service Program.

Margaret Green
Associate Manager, Invoicing Auditor
30 Lanidex Plaza West | Parsippany, NJ 07054
T: [973-581-6753](tel:973-581-6753) | F: [973-599-6539](tel:973-599-6539)
Margaret.Green@sl.universalservice.org.

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You received this message because you are subscribed to the Google Groups "eRate Committee" group.

Visit this group at <https://groups.google.com/a/emuhsd.org/group/erate/>.

Exhibit 3

**Email from Mick Kraft, USAC, to Russ Reshaw, Edimensions Consulting
(Dated Feb. 17, 2016)**

From: **Michael Kraft** <mkraft@usac.org>
Date: Wed, Feb 17, 2016 at 8:33 AM
Subject: RE: [eRate] ERATE: See Email, SLD Invoice: See Email
To: Russ Reshaw <russ@edimensionconsulting.com>
Cc: "esteelman@emuhsd.org" <esteelman@emuhsd.org>, "erate@emuhsd.com" <erate@emuhsd.com>, "Henry.W@alquest.us.com" <Henry.W@alquest.us.com>

Russ,

The invoices were rejected because no customer bills were received. This means that the bill the provider sent to the applicant showing that the discounts were applied was not received by the reviewer in the timeframe noted.

The FRN needs to have an invoice deadline extension but is now past the time to request it. Your phone call indicated that you received a service delivery extension. This is not reflected in the system so please send me the documentation you received.

Thank you,

Michael Kraft

[\(202\) 776-0200](tel:(202)776-0200) (ph)

mkraft@usac.org